

# LOCAL AGENCY FORMATION COMMISSION COUNTY OF SAN BERNARDINO

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**DATE:** February 4, 2005  
**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer  
**TO:** LOCAL AGENCY FORMATION COMMISSION

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**SUBJECT: AGENDA ITEM #7B – Reorganization Including Annexations to City of Rancho Cucamonga and West Valley Mosquito and Vector Control District (Etiwanda Creek – DRC2003-01164, Richland Pinehurst – DRC2002-00865, and Tracy Development – DRC2003-01051)**

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**INITIATED BY:**

Council Resolutions, City of Rancho Cucamonga

**RECOMMENDATION:**

- A. If the override of the Commission's policy related to environmental litigation, Item #7A on the agenda, is not approved, continue consideration of LAFCO 2970A to a date following resolution of the litigation and instruct the Executive Officer to readvertise that consideration.
- B. If the override of the Commission's policy is authorized, the following actions are recommended by staff:
  - 1. Take the following actions with respect to the environmental review for the consolidated reorganization LAFCO 2970A:
    - a. For the Negative Declaration adopted for the project portion of the application known as "Etiwanda Creek" (formerly LAFCO 2965):
      - 1) Certify that the Commission has reviewed and considered the environmental assessment and the Mitigated Negative Declaration prepared by the City of Rancho Cucamonga for Annexation DRC 2003-01164 and found them to be adequate for Commission use as a responsible agency;
      - 2) Determine that the Commission does not intend to adopt alternatives or mitigation measures for this project and that the

mitigation measures identified are the responsibility of the City and others, not the Commission; and,

- 3) Direct the Clerk to file a Notice of Determination within five days and find that no further Department of Fish and Game filing fees are required by the Commission's approval since the City, as lead agency, has paid said fees.
- b. For the environmental process for the project portion of the application known as Richland Pinehurst DRC2002-00865 (formerly LAFCO 2967), take the following actions:
- 1) Certify that the Environmental Impact Report (EIR) and other related environmental documents prepared by the City of Rancho Cucamonga for the Richland Pinehurst project have been independently reviewed and considered by the Commission and its environmental consultant;
  - 2) Determine that the EIR for the Richland Pinehurst project prepared by the City is adequate for the Commission's use as a CEQA Responsible Agency for its determinations related to LAFCO 2970A;
  - 3) Determine that the Commission does not intend to adopt alternatives or mitigation measures for the Richland Pinehurst project and that the mitigation measures identified for the project are the responsibility of the City and others, not the Commission;
  - 4) Adopt the Candidate Findings of Fact, and Statement of Overriding Considerations as presented by the Commission's environmental consultant for the Richland Pinehurst project as attached to the staff report; and,
  - 5) Direct the Clerk of the Commission to file the Notice of Determination within five days and find that no further Department of Fish and Game filing fees are required by the Commission's approval since the City, as lead agency, has paid said fees.
- c. For the environmental process for the project portion of the application known as Tracy Development DRC2003-01051 (formerly LAFCO 2970), take the following actions:
- 1) Certify that the Environmental Impact Report (EIR) and other related environmental documents prepared by the City of Rancho Cucamonga for the project identified as Tracy Development have

been independently reviewed and considered by the Commission and its environmental consultant;

- 2) Determine that the EIR for the Tracy Development project prepared by the City is adequate for the Commission's use as a CEQA Responsible Agency for its determinations related to LAFCO 2970A;
  - 3) Determine that the Commission does not intend to adopt alternatives or mitigation measures for the Tracy Development project and that the mitigation measures identified for the project are the responsibility of the City and others, not the Commission;
  - 4) Adopt the Candidate Findings of Fact, and Statement of Overriding Considerations as presented by the Commission's environmental consultant for the Tracy Development project, as attached to the staff report; and,
  - 5) Direct the Clerk of the Commission to file the Notice of Determination within five days and find that no further Department of Fish and Game filing fees are required by the Commission's approval since the City, as lead agency, has paid said fees.
2. Approve LAFCO 2970A, consolidated reorganization for the City of Rancho Cucamonga and the West Valley Mosquito and Vector Control District, with the following conditions:
- a. Standard terms and conditions that include the "hold harmless" clause for potential litigation costs, continuation of fees, charges, assessments, and the identification that the transfer of utility accounts will occur within 90 days of the Certificate of Completion.
  - b. A new condition to address service mechanisms in the event of court approval of the environmental litigation filed on the individual projects, to read as follows:

*"In the event that a court of competent jurisdiction invalidates the annexation of any of the properties within this consolidated reorganization for any reason, the City of Rancho Cucamonga shall enter into an out-of-agency service agreement with the County of San Bernardino for the provision of all services in that area that the City and/or West Valley Mosquito and Vector Control District proposes to take over in the change of jurisdiction process, and present the same to LAFCO pursuant to Government Code Section 56133 within 60 days of such a court determination. The City of*

*Rancho Cucamonga shall provide written consent to this condition within five (5) working days of the approval of this resolution.”*

- c. A supplemental condition that in the event LAFCO 2977 – Formation of County Service Area 120 is approved and takes effect prior to the completion of LAFCO 2970A, County Service Area 120 shall continue to overlay and serve the area for the provision of its anticipated services – habitat conservation and open space management for the North Etiwanda area.
3. Adopt LAFCO Resolution #2861 setting forth the Commission’s terms, conditions, findings, and determinations for approval.

**BACKGROUND:**

At the November 17, 2004 hearing, the Commission was asked to review the question of overriding its policy regarding environmental litigation which has been discussed in Item #7A of today’s agenda. At the November hearing, LAFCO staff also requested that the Commission consolidate the three remaining City of Rancho Cucamonga applications, all of which are being litigated by the Spirit of the Sage and Habitat for Wildlife Trust Inc., into a single application. While the policy question was continued, the Commission took positive action to consolidate the three proposals submitted by the City of Rancho Cucamonga into a single application, now identified as LAFCO 2970A.

The following descriptions identify the individual proposals that have been consolidated, as well as identifying when they were submitted to the Commission for consideration:

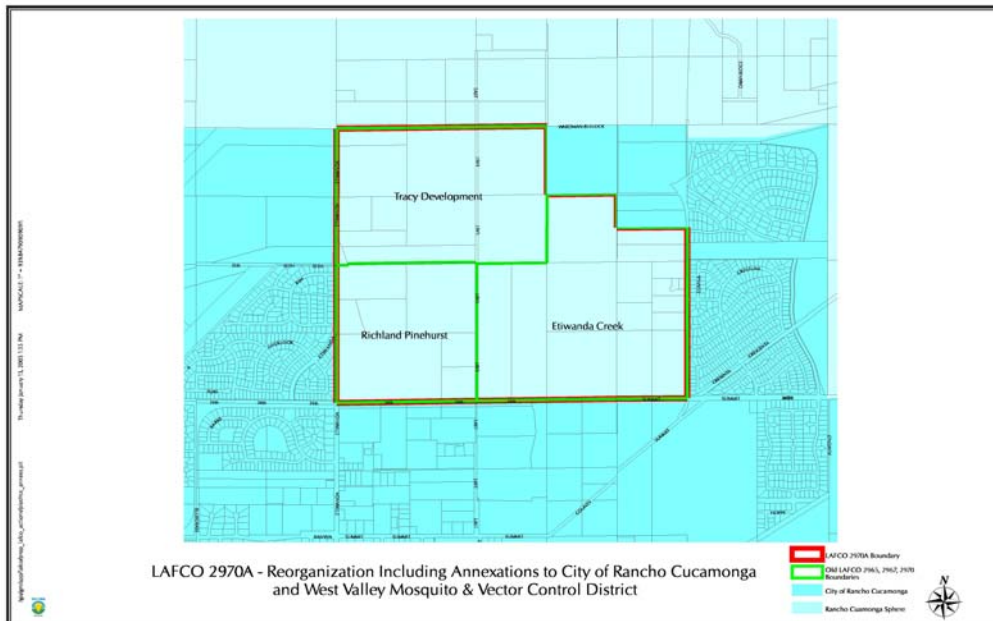
LAFCO 2965 – Reorganization to include Annexations to City of Rancho Cucamonga and West Valley Mosquito and Vector Control District (Etiwanda Creek – DRC 2003-01164) – filed by City with LAFCO on July 21, 2004 for annexation only; expanded by LAFCO staff to include the West Valley Mosquito and Vector Control District.

LAFCO 2967 – Reorganization to include Annexations to City of Rancho Cucamonga and West Valley Mosquito and Vector Control District (Richland Pinehurst – DRC 2002-00865) – filed by City with LAFCO on August 5, 2004, expanded by LAFCO staff to include the West Valley Mosquito and Vector Control District.

LAFCO 2970 – Reorganization to include Annexations to City of Rancho Cucamonga and West Valley Mosquito and Vector Control District (Tracy Development – DRC 2003-01051) – filed by City with LAFCO on August 30, 2004, expanded by LAFCO staff to include the West Valley Mosquito and Vector Control District.

The following exhibit outlines the boundaries of these individual applications:

**EXHIBIT 1**



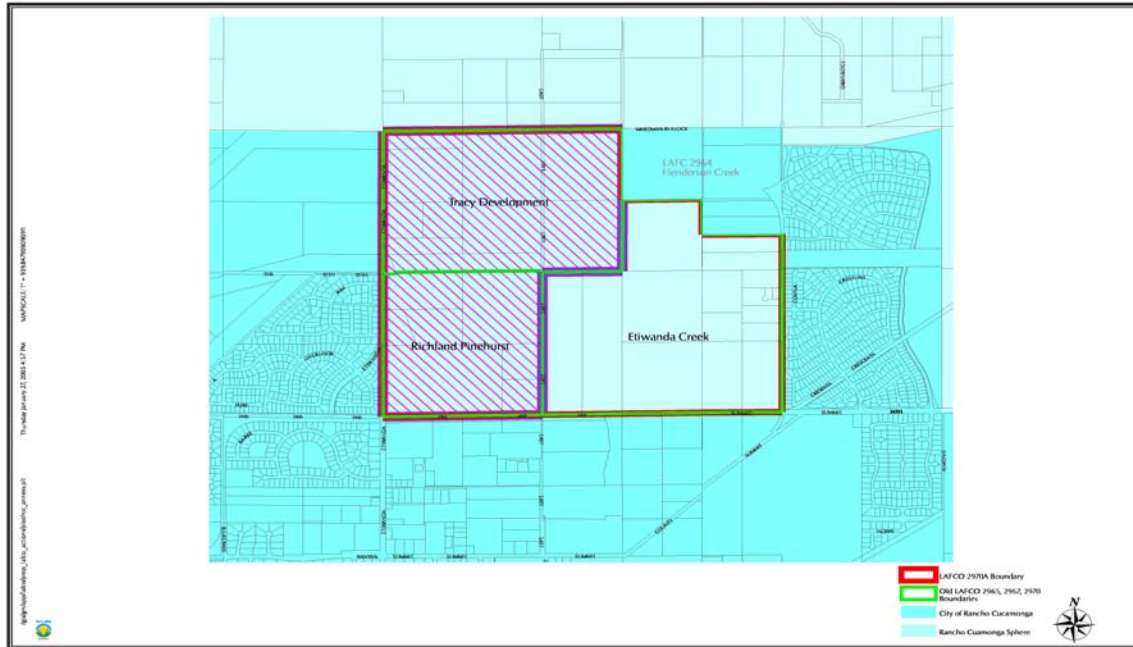
Staff's rationale for proposing to consolidate these three applications is not borne out of CEQA considerations. In fact, it is apparent to staff that each of the separately filed applications is a separate "project" under CEQA. Rather, consolidation was recommended solely to accommodate Commission policies that encourage the orderly formation and development of local government agencies and State law that precludes the creation of islands of unincorporated territory. The requirements of State law are outlined in Government Code Section 56744, which reads in part:

*"...territory shall not be incorporated into, or annexed to, a city pursuant to this division if, as a result of that incorporation or annexation, unincorporated territory is completely surrounded by that city or by territory of that city on one or more sides and the Pacific Ocean on the remaining sides."*

In the current circumstance, the applications submitted by the City identified as LAFCO 2964 (Henderson Creek), LAFCO 2967 (Richland Pinehurst) and LAFCO 2970 (Tracy) were related to development proposals submitted to and processed by the City. In each case, they contained majority landowner consent for their inclusion within the City. Henderson Creek (LAFCO 2964) was annexed to the City of Rancho Cucamonga and the West Valley Mosquito and Vector Control District ("West Valley MVCD"), effective December 20, 2004, as it possessed 100% property owner consent and had reached agreement with representatives of Spirit of the Sage Council and Habitat for Wildlife Trust Inc., thereby averting litigation. The Richland Pinehurst and Tracy Development projects possess majority landowner consent to their annexation.

Exhibit 2 shows the outline of the individual applications which relate to development projects reviewed and approved by the City of Rancho Cucamonga.

## EXHIBIT 2



After consultation with LAFCO staff, the City proposed the annexation application identified as Etiwanda Creek (formerly LAFCO 2965) representing the area that would have become a totally surrounded island of unincorporated territory if the other three applications submitted were approved. No support or opposition to this proposal has been identified in the application submitted or received in response to the notices provided on the hearings.

San Bernardino LAFCO has long experience with the difficulties that islands of unincorporated territory create for the cities that surround them, for the County that is required to serve them, and the landowners attempting to use their property. Therefore staff recommended, and the Commission approved at the November hearing, the consolidation of the three applications into a single proposal, LAFCO 2970A.

Staff has prepared the revised map and legal to address the consolidated reorganization. The following information outlines staff's response to the factors that are to be reviewed in every consideration, generally identified as boundary issues, land uses, service provision and environmental factors. Each will be taken in turn.

### **BOUNDARY ISSUES:**

As consolidated, the application proposes the annexation of approximately 703 +/- acres to the City of Rancho Cucamonga and the West Valley Mosquito and Vector

Control District. The consolidated reorganization site is generally located northerly of Wilson Street and its natural extension (existing City boundary), easterly of Etiwanda Avenue (existing City boundary), southerly of parcel lines and the boundary of LAFCO 2964 (Henderson Creek Annexation), and west of Wardman Bullock/Colonbero Road (existing City boundary). As noted above, the consolidated reorganization encompasses the developments known as “Richland Pinehurst” and “Tracy Development”, along with Flood Control properties and other private lands located in the area identified as “Etiwanda Creek”. Maps showing the vicinity of the consolidated reorganization and its actual area are included in this report in Attachment #1 as well as on Exhibits #1 and #2 above.

Surrounding land uses include: residential development and/or lands approved for residential development to the east, south and west (within the City of Rancho Cucamonga), and to the north are vacant lands, flood control properties and channels and the area known as the North Etiwanda Preserve, an open space conservation area currently managed by County Service Area 70 Improvement Zone OS-1.

Through the consolidation of the proposal, there are no boundary issues to be resolved; the area proposed for reorganization encompasses the entire peninsula of unincorporated territory between Etiwanda Avenue and Wardman Bullock Road, north of Wilson Street; the northern boundary of the reorganization coincides with the northerly boundary of the Inland Empire Utilities Agency and Cucamonga Valley Water District; it includes the entirety of the project areas anticipated to develop in the near term; and it eliminates the potential for creation of an unincorporated island for the area defined as Etiwanda Creek.

### **LAND USE ISSUES**

The existing land use within the consolidated reorganization is primarily vacant, with two residences within the area identified as Etiwanda Creek. The County land use designations for the area are identified as being a part of the West Foothills Planning Area and include: Planned Development, noted as 3/1 and 2/1, which allow for either three units per acre or two units per acre on approximately 280 acres, RS-20M (Single Family Residential 20,000 square foot minimum lot size) on approximately 50 acres, RL-10 (Rural Living one unit per 10 acres) on ten acres, and Institutional (utility corridor) on 40 acres. The entirety of these areas have been assigned an Improvement Level Designation by the County of “IL1” indicating the need for the highest level of municipal services. The balance of the area is designated Floodway on approximately 323 acres. Taken together, these land use designations would allow for an estimated 880 units without taking into account possible slope reductions, density bonus, etc. At the present time, the County Land Use Services Department, Current Planning Division, has received an application for a Tentative Parcel Map for a parcel fronting on Wardman Bullock Road (APN 0226-081-16) for a subdivision of four parcels and a remainder parcel on 4.76 acres. This application was accepted for filing in December 2004, with response to the Project Notice due January 28, 2005.

The Commission is charged with reviewing the applications for jurisdictional change against the General Plan land use designations and pre-zoning of the affected City and it is specifically precluded from identifying how the area is to be planned (GC § 56375). The land use reviews for the individual projects that now comprise the consolidated reorganization have been considered and approved by the City Council of the City of Rancho Cucamonga. For clarity, the following will outline the land uses for each of the individual projects:

1. “Etiwanda Creek” Project area (approximately 300 acres in area). There are no development projects identified for this portion of the consolidated reorganization by the City of Rancho Cucamonga. The City conducted a General Plan Amendment and Etiwanda North Specific Plan Amendment related to the area to change the residential land use designation for 80 acres from Very Low to Low Residential (2-4 dwelling units per acre). The City’s pre-zoning has identified the following land use designations for this area:

Very Low Residential (1-2 dwelling units/acre)	15 acres
Low Residential (2-4 dwelling units/acre)	80 acres
Conservation/Flood Control	205 acres

2. “Richland Pinehurst” Project (approximately 160 +/- acres) is proposed to allow up to 358 single-family, residential dwelling units on approximately 150 acres. The area of the annexation and pre-zoning includes 160 acres. The City conducted a General Plan Amendment and Etiwanda North Specific Plan Amendment along with a pre-zoning process. The land use designations assigned by the City of Rancho Cucamonga through its pre-zoning process and their estimated acreages within this project’s area include:

Very Low Residential (1-2 dwelling units/acre)	80 acres (estimate)
Low Residential (2-4 dwelling units/acre)	80 acres (estimate)

3. The “Tracy Development” Project (approximately 241 acres) is proposed as a gated, 269 single-family residential dwelling unit community within the City’s northerly sphere of influence. The annexation area related to this development encompasses approximately 241 acres. The land use designation assigned by the City of Rancho Cucamonga through its General Plan Amendment, North Etiwanda Specific Plan Amendment and pre-zoning and the estimated acreage they encompass include:

Low Residential (2-4 dwelling units/acre)	107 acres
Utility Corridor	40 acres
Flood Control/Open Space	93 acres

Once annexed, pursuant to the provision of GC§ 56375(e), no change can be made to the General Plan or the Zoning within the consolidated reorganization area that is not in conformance with the pre-zoning determinations for a period of two (2) years. The law allows for a change if the City Council makes the finding, at a public hearing, that



a substantial change has occurred in circumstances that necessitates a departure from the pre-zoning outlined in the application made to the Commission.

The land uses identified for residential purposes approved by the City of Rancho Cucamonga require a broad range of municipal services which can be effectively and efficiently provided by the City and its family of special districts.

**SERVICE ISSUES:**

In every consideration for jurisdictional change, the Commission is required to look at the existing and proposed service providers within an area. Due to the primarily vacant nature of the consolidated reorganization area at the present time, service requirements are currently minimal, generally encompassing law enforcement and fire protection. Existing agencies available to provide service within the consolidated reorganization area include the Cucamonga Valley Water District (water and sewer provider), the Rancho Cucamonga Fire Protection District (City subsidiary district – providing structural fire protection/prevention, paramedics, etc.), the Inland Empire Utilities Agency (wastewater treatment provider) and the Metropolitan Water District of Southern California (State Water Contractor). The balance of services are provided through the County of San Bernardino and its Board-governed special districts. Of particular note, the area is currently a part of County Service Area 70 Improvement Zone OS-1 which is the administrative entity for the North Etiwanda Preserve area and the North Etiwanda Open Space and Habitat Preservation Program.

The City of Rancho Cucamonga, through this consolidated reorganization, proposes to extend its services for legislative and administrative functions, land use planning, law enforcement, park and recreation, road services, streetlighting, etc. Law enforcement services identified will transition to the City's contract with the County Sheriff. The City's Plans for Service prepared for the individual projects included a Fiscal Analysis. In the Fiscal Analysis it is indicated that the property tax revenues anticipated to be received, developer fees, assessments through the Landscape Maintenance District and other assessment districts within the City are sufficient to fund the delivery of their services. Each analysis indicates that there will be no change for the Cucamonga Valley Water District, the Rancho Cucamonga Fire Protection District, the Inland Empire Utilities Agency or the Metropolitan Water District of Southern California.

At present, annexation to the City of Rancho Cucamonga will involve the detachment of County Service Area 70 and its Improvement Zone OS-1. However, LAFCO 2977 currently in process proposes to create a single County Service Area, identified as #120, to administer the open space and habitat conservation functions currently performed by CSA 70 OS-1 and CSA 70 OS-3. The City of Rancho Cucamonga has consented to the overlay of CSA 120 on existing City territory. A condition has been proposed in staff's recommendation for the consolidated reorganization that would identify that if CSA 120 is formed prior to the completion of this proposal, it be retained as an overlaying agency pursuant to the provisions of GC §56375(n) allowing

for waiver of the automatic detachment of County Service Areas within a City annexation.

The consolidated reorganization, as amended by LAFCO staff, includes the annexation of the territory to the West Valley MVCD in compliance with the Commission's policies related to concurrent annexation to the entities serving a defined community. The West Valley MVCD was expanded to include the whole of the City of Rancho Cucamonga (LAFCO 2947 effective 6/04) and now requires concurrent expansion with any City annexation. The West Valley MVCD has provided a Plan for Service related to its assumption of service provision for the area. As outlined, this action will remove the area from the County of San Bernardino's Vector Control Program and its current assessment for services (\$5.37 per parcel annual charge) and include it within the West Valley MVCD assessment program (\$10 per developed parcel annual charge) for the funding of its services.

#### **ENVIRONMENTAL ISSUES:**

The City's processing of the land use determinations for the individual projects within the consolidated reorganization has included the adoption of each project's environmental documents. LAFCO's Environmental Consultant, Tom Dodson and Associates, has reviewed these documents and indicated that they are adequate for the Commission's use as a responsible agency for each project. A copy of the environmental documents for Richland Pinehurst and Tracy Development projects were provided to Commissioners at the November 2004 hearing and the newly-appointed Commissioners upon notification of their selection. Mr. Dodson has indicated that the appropriate actions to be taken for the individual projects are the following:

1. For the Etiwanda Creek project, which is part of the consolidated reorganization, the necessary actions to be taken by the Commission as a responsible agency include the following:
  - a) Certify that the Commission has reviewed and considered the environmental assessment and the Mitigated Negative Declaration prepared by the City of Rancho Cucamonga for Annexation DRC 2003-01164 and found them to be adequate for Commission use as a responsible agency;
  - b) Determine that the Commission does not intend to adopt alternatives or mitigation measures for this project and that the mitigation measures identified are the responsibility of the City and others, not the Commission; and,
  - c) Direct the Clerk to file a Notice of Determination within five days and find that no further Department of Fish and Game filing fees are required by the Commission's approval since the City, as lead agency, has paid said fees.

2. For the Richland Pinehurst (DRC 2002-00865) and Tracy Development (DRC2003-01051) projects, which are portions of the consolidated reorganization, the necessary actions to be taken by the Commission, as a responsible agency for each, include the following:
  - a) Indicate that the Commission and its Environmental Consultant have individually reviewed and considered each of the environmental impact reports and related actions by the City of Rancho Cucamonga for each project.
  - b) Determine that Final EIR for each project (Richland Pinehurst and Tracy Development projects) is adequate for the Commission's use in making its decision related to each project in the consolidated reorganization.
  - c) Determine that the Commission does not intend to adopt alternatives or mitigation measures for the Richland Pinehurst and Tracy Development projects. Mitigation measures were required for the individual projects; however, the mitigation measures identified for each project are the responsibility of the City and others, not the Commission
  - d) Adopt an individual Candidate Findings of Fact and Statement of Overriding Considerations as presented for the Richland Pinehurst project and the Tracy Development project (both of which are portions of the consolidated reorganization) as provided by Mr. Dodson. A copy of each is included as Attachments #8 and #9 to the staff report.
  - e) Direct the Clerk to file Notices of Determination within five days and find that no further Department of Fish and Game filing fees are required by the Commission's approval since the City, as lead agency, has paid said fees.

As the Commission is fully aware, in July and August 2004, the Spirit of the Sage Council/Habitat Trust for Wildlife Inc. filed suit in San Bernardino Superior Court challenging the environmental determinations for each of the projects. At present, these suits remain unresolved and they were the subject of the Commission's first required action on the consolidated reorganization. The City has requested the Commission to proceed with the consolidated reorganization on the basis that unless and until the Courts determine the environmental documents to be inadequate, CEQA requires that they be considered adequate (CEQA Guidelines Section 15233). Settlement discussions are ongoing between the City, development interests and the Spirit of the Sage Council/Habitat Trust for Wildlife Inc. It has been conveyed to staff that the first Court appearance in this litigation process is scheduled for April 2005.

As outlined in Agenda Item #7A, staff is recommending the inclusion of a new condition that requires if the petitioners in any of the litigation are successful, the City of Rancho Cucamonga agrees to continue to provide services to the consolidated

reorganization area for the property tax revenues transferred until such time as the environmental issues are resolved.

**CONCLUSION:**

Therefore, in compliance with directives of State law and Commission policies, it is staff's position that this consolidated reorganization is a very straightforward item of consideration and should be supported. As outlined in the staff report, the consolidated reorganization now encompasses the whole of the peninsula area, removing the possibility for creating an island of unincorporated territory; it has been expanded to include the community of service providers for the City of Rancho Cucamonga; and it provides a mechanism for addressing potential service confusion should litigation be successful. The Commission, its staff and consultants have reviewed mountains of paperwork for these projects and would suggest the following determinations:

- ❑ Portions of the consolidated reorganization area are developing and developing at a level that will require a broad range of municipal services and financing structures.
- ❑ It is clear that this area will benefit from the extension of the City's services due to the level of development anticipated.
- ❑ The site is adjacent to urban development and the annexation will allow for the coordination of necessary improvements within the overall area as these vacant lands transition to suburban and urban uses.
- ❑ The City and County of San Bernardino are working toward providing a mechanism to address the habitat conservation and open space management issues through development of an entity which can be retained overlaying City territory.

For these reasons and those outlined throughout the staff report, the staff supports the approval of the consolidated reorganization.

**FINDINGS:**

The following findings are required to be provided by Commission policy and Government Code Section 56668:

1. The consolidated reorganization, an approximately 703 +/- acre area, has been certified by the Registrar of Voters as being legally uninhabited, with two (2) registered voters. The certifications for the consolidated proposals are:

Etiwanda Creek  
Richland Pinehurst  
Tracy Development

Two registered voters as of November 5, 2004  
Zero voters as of August 18, 2004  
Zero voters as of September 14, 2004

2. The County Assessor for San Bernardino County has indicated that the total value for the consolidated reorganization for private lands is \$13,069,232 (Land - \$12,576,450; Improvements - \$492,782). Support for the annexation has been received from the Richland Pinehurst ownership and the Tracy Development ownership.

Pursuant to the provisions of Government Code Section 56126, the County Assessor's office has been requested to assign a land value for protest purposes to the exempt lands within the consolidated reorganization boundary. Those values are:

LANDOWNER NAME	ASSESSOR PARCEL NUMBER	LAND VALUE ASSIGNED FOR PROTEST PURPOSES
San Bernardino County Flood Control District	0225-084-05	\$191,664
	0225-084-06	\$191,664
	0225-084-07	\$188,741
	0226-081-05	\$95,932
	0225-083-05	\$6,154
	0225-083-10	\$188,741
	0225-084-02	\$188,741
	0225-084-03	\$188,741
Southern California Edison	0225-083-21	\$89,794
	0225-083-25	\$47,197
TOTAL EXEMPT LAND VALUE		\$1,377,369

3. The area is within the sphere of influence assigned the City of Rancho Cucamonga and the West Valley Mosquito and Vector Control District.
4. Notice of this hearing was originally published in The Sun, and the Daily Bulletin, newspapers of general circulation in the area, as required by law. Individual notice has been provided to affected and interested agencies, County departments and those individuals and agencies having requested such notification.
5. LAFCO staff has provided individual notification to landowners and registered voters within the consolidated reorganization area (20 notices) and to landowners (290) and registered voters (511) surrounding the study area in accordance with State law and adopted Commission policies. To date, opposition has been received from representatives of Spirit of the Sage Council and the Habitat Trust for Wildlife Inc. by written correspondence.

6. The City of Rancho Cucamonga has processed land use approvals within the consolidated reorganization as follows:
  - a. “Etiwanda Creek” Project area (approximately 300 acres in area). The City conducted a General Plan Amendment and Etiwanda North Specific Plan Amendment related to the area to change the residential land use designation for 80 acres from Very Low to Low Residential (2-4 dwelling units per acre). The City’s pre-zoning has identified the following land use designations for this area: Very Low Residential (1-2 dwelling units/acre) 15 acres; Low Residential (2-4 dwelling units/acre) 80 acres; and Conservation/Flood Control 205 acres.
  - b. “Richland Pinehurst” Project (approximately 160 +/- acres). The City conducted a General Plan Amendment and Etiwanda North Specific Plan Amendment along with a pre-zoning process. The land use designations assigned by the City of Rancho Cucamonga through its pre-zoning process and their estimated acreages within this project’s area include: Very Low Residential (1-2 dwelling units/acre) approximately 80 acres and Low Residential ( 2-4 dwelling units/acre) approximately 80 acres.
  - c. The “Tracy Development” Project (approximately 240 acres). The land use designation assigned by the City of Rancho Cucamonga through its General Plan Amendment, North Etiwanda Specific Plan Amendment and pre-zoning and the estimated acreage they encompass include: Low Residential (2-4 dwelling units/acre) 107 acres; Utility Corridor 40 acres; and Flood Control/Open Space 93 acres.

Pursuant to the provisions of Government Code Section 56375(e) these zoning designations shall remain in effect unchanged for two years following annexation unless specific actions are taken by the City Council.

7. Upon annexation, the City and affected agencies will extend their services as required by the progression of development. The financial information portion of each of the Plans for Service provides a general outline of the anticipated revenues/costs for the respective areas and indicates that revenues are anticipated to be sufficient to provide the level of services identified through the City and other agencies. Through the identified financing mechanisms, the Plans show that the level of service will be adequate for the development anticipated and that the revenues anticipated are sufficient to provide for the infrastructure and ongoing maintenance and operation of these services.

The Plans for Service for Richland Pinehurst and Tracy Development each indicate that supplemental funding through the formation of a Community Facilities District may be initiated to fund necessary improvements based upon the development approvals; formation of a Homeowners Association to maintain the private roads, streetlights, etc. will be a part of the overall development for the Tracy Development proposed as a gated community, while Richland

Pinehurst may form such an entity but it is not a requirement of development approval; and that each development area will be annexed into the City's Landscape Maintenance District for the provision of those services not provided by the Homeowner's Association, including the maintenance of the "Interim Detention Basin" for flood control purposes in the southeastern portion of the Richland Pinehurst project. Through these mechanisms, the Plans show that the level of service will be adequate for the development anticipated and that the revenues anticipated are sufficient to provide for the infrastructure and ongoing maintenance and operation of these services.

The West Valley MVCD Plan for Service indicates that its assessment for services will be levied upon the residential portions of the consolidated reorganization area upon development and that the County's existing Vector Control Assessment will be removed.

Each of the Plans identify that the areas are currently a part of the Rancho Cucamonga Fire Protection District (City subsidiary providing for structural fire protection and paramedic services), Cucamonga Valley Water District (independent retail water provider and wastewater collection system), Inland Empire Utilities Agency (independent wastewater treatment provider) and the Metropolitan Water District of Southern California (State Project Water Contractor) and that their respective allocations of property tax revenues and fee structures are sufficient to fund their services.

8. As a CEQA responsible agency, the Commission's Environmental Consultant, Tom Dodson of Tom Dodson and Associates, has reviewed the individual environmental documents for each project in the consolidated reorganization proposal and has indicated that each is adequate for the Commission's use, as more fully described in the narrative portion of this report. Mr. Dodson has reviewed the City of Rancho Cucamonga's environmental assessments for the three individual projects consolidated into LAFCO 2970A. A copy of the City's initial study and Negative Declaration for the Etiwanda Creek portion of the application is included as a part of Attachment #7. Copies of the City's environmental documents for the Richland Pinehurst and Tracy Development portions of the consolidated reorganization were provided to Commissioners at the November 17, 2004 hearing. Mr. Dodson has prepared his recommended actions on the individual portions of the consolidated reorganization and they are identified in the narrative portion of this report. Attachments #8 and #9 to this report provide the Statements of Overriding Considerations for the Richland Pinehurst and Tracy Development projects.
9. The City of Rancho Cucamonga has been served with litigation regarding its environmental approvals for the portions of the consolidated reorganization identified as: Etiwanda Creek, the Richland Pinehurst Development Project and the Tracy Development Project. Each piece of litigation has been filed in San Bernardino Superior Court by the Spirit of the Sage Council and Habitat Trust for Wildlife, Inc., petitioner, against the City of Rancho Cucamonga, respondent.

As of the preparation of this report, LAFCO staff has been notified that the first scheduled Court appearance in reference to one of the lawsuits is scheduled for April 2005.

In reference to the future actions on the litigation, the Commission determines that if any of the lawsuits identified as:

- a. Spirit of the Sage Council v. City of Rancho Cucamonga, et al., SBSC Case No. RCV 081807 (LAFCO 2965 – Etiwanda Creek)
- b. Spirit of the Sage Council v. City of Rancho Cucamonga, et al., SBSC Case No. RCV 081847 (LAFCO 2967 – Richland Pinehurst)
- c. Spirit of the Sage Council v. City of Rancho Cucamonga, et al., SBSC Case No. RCV 082430 (LAFCO 2970 – Tracy Development)

are successful, requiring further environmental determinations, the City of Rancho Cucamonga and the County of San Bernardino will, within 60 days of the judicial determination, submit an out-of-agency service contract for the continuation of service by the City while further environmental processing is undertaken and completed, as outlined in the Condition proposed in the staff's recommendation.

10. The area in question is presently served by the following public agencies:

County of San Bernardino  
County Service Area 70  
County Service Area 70 Improvement Zone OS-1 (open space and habitat conservation district)  
Rancho Cucamonga Fire Protection District (city subsidiary district)  
Cucamonga Valley Water District (formerly known as the Cucamonga County Water District) and its Improvement Districts No. 5 and No. 6  
Inland Empire Utilities Agency (formerly known as Chino Basin Municipal Water District) and its improvement districts  
Metropolitan Water District of Southern California  
Inland Empire West Resource Conservation District

County Service Area 70 and CSA 70 Improvement Zone OS-1 will be detached through successful completion of this reorganization. None of the other agencies will be directly affected by the completion of this proposal through an adjustment in their boundaries.

LAFCO is currently processing an application by the County of San Bernardino for the formation of County Service Area 120 (LAFCO 2977). If that formation takes place prior to the completion of this consolidated reorganization, the overlay of CSA 120 shall be retained within this area as a condition of approval, with the finding that the continued overlay will ensure the health, safety, or welfare of the residents, that the waiver does not affect the ability of the City to



provide any service, and that the City of Rancho Cucamonga has consented to the overlay by adopted resolution.

11. The annexation proposal complies with Commission policies which indicate the preference for areas proposed for development at urban levels to be included within a City so that the full range and level of municipal services can be provided. It also complies with State law and Commission policies that eschew the creation of surrounded islands of unincorporated territory.
12. The City and West Valley Mosquito and Vector Control District have submitted Plans for Service, as required by law and Commission policy (Attachments #2, #3, #4, and #5). These Plans outline that the City and District can maintain and/or improve the level and range of services that are currently available to the study area.

Upon annexation, the City and affected agencies will extend their services as required by the progression of development. The financial information portion of the Plans for Service provides a general outline of the anticipated revenues/costs for this area and indicates that revenues are anticipated to be sufficient to provide the level of services identified through the City. The City's Plan for Service indicates that supplemental funding through the formation of a Landscape Maintenance District will be initiated for maintenance and operation of the storm drains, landscaped slopes, detention basin and trails depending upon the circumstance of each of the developments; the development areas will be annexed into the City's existing Arterial Streetlighting District and the Etiwanda North Streetlight District for maintenance of the streetlights required in the project.

The District's Plan for Service indicates that its assessment for services will be levied upon the residential portions of the project upon development and the County's existing Vector Control assessment will be removed. Through these mechanisms, the Plans show that the level of service will be adequate for the development anticipated and that the revenues anticipated are sufficient to provide for the infrastructure and ongoing maintenance and operation of these services.

13. The consolidated reorganization area can benefit from the availability of municipal-level services from the City of Rancho Cucamonga and those services provided by the West Valley MVCD. The proposed residential development portion of the study area can benefit from the availability and extension of municipal-level services from the City of Rancho Cucamonga. The balance of the area can benefit from the extension of law enforcement services provided through the City of Rancho Cucamonga. The whole of the reorganization area can benefit from mosquito and vector control services through the West Valley Mosquito and Vector Control District.

14. The County of San Bernardino and the City of Rancho Cucamonga have successfully negotiated transfer of property tax revenues for the individual applications consolidated into LAFCO 2970A that will take effect upon completion of this reorganization. These negotiated agreements fulfill the requirements of Section 99 of the Revenue and Taxation Code.
15. The consolidated reorganization will assist the City's ability to achieve its fair share of the regional housing needs upon development and remove lands available for residential development from within the County's area subject to regional housing need assessment.
16. The map and legal description, as revised, are in substantial compliance with LAFCO and state standards through certification by the County Surveyor's Office.

/KRM

Attachments:

- 1 -- Location and Vicinity Maps
- 2 -- City Plan for Service and Executive Summary of the Fiscal Analysis for Etiwanda Creek
- 3 -- City Plan for Service and Executive Summary of the Fiscal Analysis for Richland Pinehurst
- 4 -- City Plan for Service and Executive Summary of the Fiscal Analysis for Tracy Development
- 5 -- Plan for Service by West Valley Mosquito and Vector Control District
- 6 -- Letters in Opposition from Craig T. Sherman representing Spirit of the Sage Council and Habitat for Wildlife Trust Inc.
- 7 -- Response from Tom Dodson and Associates for Etiwanda Creek and City Environmental Documents
- 8 -- Response from Tom Dodson and Associates and Statement of Overriding Considerations Related to Richland Pinehurst Project
- 9 -- Response from Tom Dodson and Associates and Statement of Overriding Considerations Related to Tracy Development
- 10 -- Draft Resolution No. 2861